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SAPC-2863
Copy 1 of 5

9 December 1955

Letter Contract No. PO-660

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Letter Contract No. PO-660 with Eastman
Kodak Company - [] Sub-Project under
Project AQUATONE

25X1

1. Letter Contract No. PO-660 provides for the labor and materials required to operate and maintain the film processing plant [] The engineering, equipment, and plant rearrangement expenses of this plant are the subject of other contractual arrangements with Eastman Kodak Company. Since the film processing plant is now ready to begin initial operations this Letter Contract is now necessary and follows up our commitment to Eastman by letter dated 27 June 1955 expressing our intent to write such a contract during the 1956 Fiscal Year.

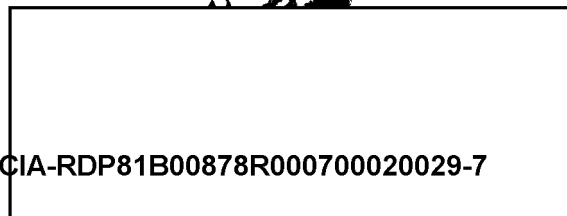
2. This Letter Contract will be replaced by a Definitive Contract at a later date. Since the procurement involves only services, funding of this contract can only be on a fiscal year basis.

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4. This Letter Contract will obligate the sum of [] the present time, Fiscal Year 1956 funds. This amount is considered sufficient to carry this contract into the spring of 1956, including certain retroactive preparatory costs back to 1 October 1955. At such time as the film processing plant is in operation on a full-time daily basis an accurate estimate of additional costs expected to 30 June 1956 can be made and the contract funded accordingly. Fiscal Year 1957 funds will be required after 30 June 1956 and to 30 June 1957.

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5. Costs will be accumulated and charged on a cost basis, and will include a fee of 7%. There is an excellent possibility that the final Definitive Contract will be of a time and materials type.

6. Approval is requested to execute Letter Contract PO-660 in the amount of

25X1A

RICHARD M. BISSELL, JR.
SAPC/Project Director

CONCURRENCE:

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Reg

Approved

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Director of Central Intelligence